SHRI NAMO NARAIN MEENA: Sir, several steps have been taken to reduce the NPA, and there are guidelines from the Reserve Bank of India to reduce the NPA and to recover the money. The banks are using the OTS, One Time Settlement Scheme, as per the guidelines of the Reserve Bank of India. The hon. Member would be happy to know that by taking several steps, the NPA of the various banks is coming down every year. The banks are recovering. The SARFAESI Act is being followed in all the cases.

Cost cutting measures in Air India

*274. DR. JANARDHAN WAGHMARE:††
SHRIMATI SHOBHANA BHARTIA:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Air India reported huge losses during 2008-09 even us the airlines appointed consulting firm Booz and Allen to formulate a plan to cut costs and enhance revenues;

(b) if so, the details thereof;

(c) whether the factors attributing the rise in losses of Air India have been examined; and

(d) if so, the details thereof and the steps taken by Government to adopt cost cutting measures in Air India?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): A statement is laid on the Table of the House.

Statement

(a) and (b) Air India is expected to incur a loss of Rs.5,000 crores approximately (Prov.) during the year 2008-09. The consulting firm Booz and Allen has not yet been appointed by Air India.

(c) and (d) The reasons for losses are mainly due to prevalent economic recession and low yields and load factors. Air India has taken several initiatives to turnaround the performance of the company focussing on Cost Reduction and Revenue Enhancement.

DR. JANARDHAN WAGHMARE: Sir, my first supplementary is: What major steps are you going to take to recover the losses? Have you prepared any plan?

SHRI PRAFUL PATEL: Sir, there are various measures which have been initiated to stem the extent of loss, that is, first to reduce the quantum of expenditure and to make sure that there is revenue enhancement. There is a difficult time for the aviation industry as also for our national carrier. I am sure that various steps have been taken. Since the time is less, I will send a proper answer in writing to the hon. Member.

MR. CHAIRMAN: Question Hour is over.

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††The question was actually asked on the floor of the House by Dr. Janardhan Waghmare.